

SWADESHI POLYTEX LIMITED

BALANCE SHEET AS AT 31st MARCH, 2021

(Rs. In '000)

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
I ASSETS			
(1) Non-current asset			
(a) Property, Plant and Equipment	5	468	547
(b) Intangible Assets	6	277	333
(c) Financial Assets:			
(i) Loans	7	4,602	-
(d) Deferred Tax Assets (Net)	8	47,279	43,634
(e) Other non-current assets	9	25,166	29,977
Total non-current assets		77,792	74,491
(2) Current Asset			
(a) Inventories	10	60,054	60,054
(b) Financial Assets:			
(i) Cash and cash equivalents	11	9,441	29,902
(ii) Loans	12	547	5,121
(iii) Others	13	4	114
(c) Other Current Assets	14	22	1,000
Total current assets		70,068	96,191
Total Assets		1,47,860	1,70,682
II EQUITY & LIABILITIES			
EQUITY			
(a) Equity share capital	15	39,000	39,000
(b) Other equity	16	(3,78,774)	(3,62,407)
Total Equity		(3,39,774)	(3,23,407)
LIABILITIES			
(1) Non current liabilities			
(a) Financial liabilities:			
(i) Other financial liabilities	17	21,642	21,642
Total non-current liabilities		21,642	21,642
(2) Current liabilities			
(a) Financial liabilities:			
(i) Borrowings	18	17,915	17,915
(ii) Trade payables	19		
(a) total outstanding dues of micro enterprises and small enterprises		559	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		10,202	7,652
(b) Other current liabilities	20	4,37,316	4,46,880
Total current liabilities		4,65,992	4,72,447
Total Equity and Liabilities		1,47,860	1,70,682

Significant Accounting Policies


The accompanying notes form an integral part of the financial statements.


As per our Report of even date attached
For SPMR & Associates
CHARTERED ACCOUNTANTS


 (M.S. Ladha)
 Partner

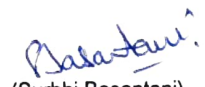

FRN : 007578N, M.No. : 088221

For and on behalf of the Board of Directors


 Director
 DIN :


 Director
 DIN :


 (Ankit Garg)
 Chief Financial Officer


 (Surbhi Basantani)
 Company Secretary

Place : Faridabad
Date : 24-06-2021


 (Bhuwan Chaturvedi)
 Chief Executive Officer

SWADESHI POLYTEX LIMITED

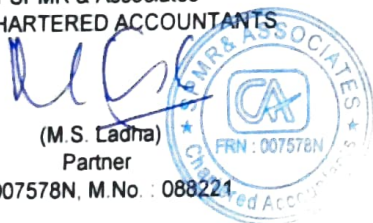
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

Particulars	Note No.	Year Ended March 31, 2021	Year Ended March 31, 2020
INCOME			
Revenue from operations	21	-	1,59,867
Other Income	22	1,564	2,275
Total Income		1,564	1,62,142
EXPENSES			
Land Development Expenses		-	423
Changes in inventories	23	-	5,287
Finance Costs	24	-	7,004
Depreciation and amortization expense	25	135	114
Other expenses	26	21,366	30,606
Total Expenses		21,501	43,434
Profit / (Loss) before tax		(19,937)	1,18,708
Less : Tax Expenses			
- Current tax		-	20,747
- Deferred tax		(3,645)	(437)
- Earlier Years		(42)	(2)
Total Tax Expenses		(3,687)	20,308
Profit / (Loss) from continuing operations		(16,250)	98,400
Profit / (Loss) from discontinued operations	27	(117)	24,341
Tax expenses of discontinued operations		-	4,253
Profit / (Loss) from discontinuing operations after tax		(117)	20,088
Total Comprehensive Income for the year		(16,367)	1,18,488
Earnings per equity share of face value of Rs. 1/- each (P.Y. Rs. 1/- each)			
-Continued Business			
(i) Basic (in Rs.)	28	(0.42)	2.52
(ii) Diluted (in Rs.)	28	(0.42)	2.52
Earnings per equity share of face value of Rs. 1/- each (P.Y. Rs. 1/- each)			
- Discontinued Business			
(i) Basic (in Rs.)	28.1	(0.00)	0.52
(ii) Diluted (in Rs.)	28.1	(0.00)	0.52

Significant Accounting Policies
The accompanying notes form an integral part of the financial statements.

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As per our Report of even date attached
For SPMR & Associates
CHARTERED ACCOUNTANTS



(M.S. Ladhra)
Partner

FRN : 007578N, M.No. : 088224

For and on behalf of the Board of Directors

[Signature]
Director
DIN :
[Signature]
Director
DIN :

[Signature]
(Ankit Garg)
Chief Financial Officer
[Signature]
(Surbhi Basantani)
Company Secretary

Place : Faridabad
Date : 24-06-2021

[Signature]
(Bhuwan Chaturvedi)
Chief Executive Officer

SWADESHI POLYTEX LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2021

(Rs. in '000)

	Year Ended 31-03-2021 Amount (Rs)	Year Ended 31-03-2020 Amount (Rs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) for the year before Tax from continuing operations	(19,937)	1,18,708
Profit / (Loss) for the year before Tax from discontinuing operations	(117)	24,341
<u>Adjustments for :</u>		
Depreciation and amortization expenses	135	114
Finance Costs	-	7,004
Interest received	(1,225)	(2,250)
Operating Profit before working capital changes	(21,144)	1,47,917
<u>Net Change in :</u>		
Other non-current assets	4,811	(28,637)
Inventories	-	5,287
Financial-assets-loans	(28)	-
Other current assets	978	4,000
Other Financial Liabilities	-	(3,341)
Trade payables	3,109	(1,720)
Other-current Liabilities	(9,564)	74,749
Provisions	-	(862)
Cash generated from Operations	(21,838)	1,97,393
Direct Taxes Paid	42	(24,998)
Net Cash flow from Operating activities	(21,796)	1,72,395
	(A)	
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(584)
Interest received on Loans and Fixed Deposits with Banks	1,335	2,213
Net cash used in Investing activities	1,335	1,629
	(B)	
C CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) of Borrowings	-	(1,45,108)
Finance Costs Paid	-	(11,603)
Net cash from / (used in) financing activities	-	(1,56,711)
	(C)	
Net increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(20,461)	17,313
Add: Cash and Cash Equivalents at the beginning of the year	29,902	12,589
Cash and Cash Equivalents at the end of the year	9,441	29,902
Cash on Hand	34	33
Balances with Banks in Current Accounts	1,407	525
Balances with Banks in Fixed Deposit Accounts	8,000	29,344
Total Cash and cash equivalents as per Financial Statements	9,441	29,902

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows.

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached
For SPMR & Associates
CHARTERED ACCOUNTANTS

(M.S. Laddha)
Partner

FRN : 007578N, M.No. : 088221

For and on behalf of the Board of Directors

Director
DIN :

Director
DIN :

(Ankit Garg)
Chief Financial Officer

(Surbhi Basantani)
Company Secretary

(Bhuvan Chaturvedi)
Chief Executive Officer

Place : Faridabad
Date : 24-06-2021

SWADESHI POLYTEX LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. EQUITY SHARE CAPITAL

AS ON 31st MARCH, 2021

(Rs. in '000)

Particulars	Amount
As as at 1st April, 2020	39,000
Changes in equity share capital	-
As at 31st March, 2021	39,000

AS ON 31st MARCH, 2020

(Rs. in '000)

Particulars	Amount
As as at 1st April, 2019	39,000
Changes in equity share capital	-
Balance as at 31st March, 2020	39,000

B. OTHER EQUITY

AS ON 31st MARCH, 2021

(Rs. in '000)

Particulars	Reserve and Surplus			Total
	General Reserve	Capital Redemption Reserve	Retained Earnings	
As at 1st April, 2020	1,67,070	10,975	(5,40,452)	(3,62,407)
Total Comprehensive Income for the year	-	-	(16,367)	(16,367)
As at 31st March, 2021	1,67,070	10,975	(5,56,819)	(3,78,774)

AS ON 31st MARCH, 2020

(Rs. in '000)

Particulars	Reserve and Surplus			Total
	General Reserve	Capital Redemption Reserve	Retained Earnings	
As at 1st April, 2019	1,67,070	10,975	(6,58,940)	(4,80,895)
Total Comprehensive Income for the year	-	-	1,18,488	1,18,488
As at 31st March, 2020	1,67,070	10,975	(5,40,452)	(3,62,407)

As per our Report of even date attached

For SPMR & Associates
CHARTERED ACCOUNTANTS



(M.S. Ladha)
Partner

FRN : 007578N, M.No. : 088221

For and on behalf of the Board of Directors

[Signature]

Director
DIN :

[Signature]

Director
DIN :

[Signature]

(Ankit Garg)
Chief Financial Officer

[Signature]

(Surbhi Basantani)
Company Secretary

Place : Faridabad
Date : 24-06-2021

[Signature]

(Bhuvan Chaturvedi)
Chief Executive Officer

1 CORPORATE & GENERAL INFORMATION

Swadeshi polytex Limited is a listed company engaged in carrying the business of transacting in, owning, purchasing, selling, leasing, sub-leasing, letting, sub-letting, renting and developing and other related activity of any type of real estate including land, plot, buildings, factories, warehouses, infrastructures whether residential, commercial, agricultural, industrial, rural, urban or otherwise that may belong to company or to any other person or persons of whatever nature and to deal in real estate, land, immovable properties and other related assets of any description or nature as owners, syndicators, developers, advisors, service providers, brokers, agents and any other capacity and to do all such activities related to such business having its registered office at A-1, Sector - 17, New Kavi Nagar Industrial Area, Ghaziabad (U.P).

The financial statements were approved for issue by the Board of Directors in their meeting held on **June 24th, 2021**.

2 BASIS OF PREPARATION AND PRESENTATION**(a) Basis of Measurement**

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. These financial statements comply with the provisions of the Companies Act, 2013 (the Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

(b) Compliance with Ind AS

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

(c) Functional and presentation currency

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency and all amounts are rounded to the nearest thousand, except as stated otherwise.

(d) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification

(i) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

(ii) A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

(iii) All other liabilities are classified as non-current.**(iv) Deferred tax assets/liabilities are classified as non-current.****(v) The Company recognizes twelve months period as its operating cycle.****3 USE OF ESTIMATES**

The preparation of financial statements in conformity with Ind AS requires management to make adjustments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expense and related disclosure concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and underlying assumptions are reviewed on an ongoing basis and revised if management became aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements. Application of accounting policies that require critical accounting estimates involving complex and critical judgment is disclosed in notes to accounts.



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4 SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

4.1 Property, Plant & Equipment and Depreciation

- (a) The company has elected the option to continue the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the date of transition as per Ind AS 101. Property, plant and equipment are stated at original cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any.
- (b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably.
- (c) Depreciation on Building, Plant & Machinery and Computer is being provided on Straight Line Method.

Property, plant and equipment	Useful Life of Asset (In year) as per Schedule-II	Useful Life of Asset (In year) as adopted
Building	60	60
Plant & Machinery	15	5 to 10
Furniture & Fixtures	10	5
Computer	3	3
Computer Server	6	6

- (d) Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- (e) Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income' or 'Other Expenses' as the case may be.
- (f) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

4.2 Intangible Assets and Amortization

- (a) Software costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortized on a straight-line basis over their estimated useful lives. All other costs on it are expensed in the statement of profit and loss as and when incurred.
- (b) Based on the technical experts assessment of useful life these are amortized over a period of six years.

4.3 Impairment of Assets

- (a) Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. In such cases, the recoverable amount is determined for the Cash Generating units (CGU) to which the assets belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of asset.
- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.



4.4 Revenue Recognition

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers', which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'.

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition.

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

- (a) Revenue from transfer of rights in leasehold land alongwith penalty is recognized when the company receives full payment from buyer and there is relinquishment of right in favor of the buyer by the company.
- (b) Interest on receivables is accounted only when no significant uncertainty as to measurability or collectability exists. Other interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.
- (c) Revenue is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity. Revenue excludes Goods and Service Tax (GST) as applicable.

4.5 Inventories

Valuation of stocks is done as mentioned below:

Leasehold Plot Rights	At lower of book value or net realizable value
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Cost of Leasehold Land is determined after including the proportionate expenditure incurred on the development thereof.

4.6 Taxation

(a) Current Tax

Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current income taxes are recognized under "income tax payable" net of payments on account, or under "tax receivables" where there is a credit balance.

(b) Deferred Tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4.7 Refunds of Taxes and Duties

Refund claims arising out of monies paid under protest or under appeals and charged to Revenue are accounted for at the time of receipt of orders or actual refunds whichever is earlier.



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4.8 Provisions, Contingent Liabilities and Contingent Assets

Disclosure of contingencies as required by the Indian accounting standard is furnished in the Notes to accounts.

- (a) Provisions are made when (a) the Company has a present obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- (b) Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset. Information on contingent liabilities is disclosed in the notes to the financial statement. A contingent asset is disclosed where an inflow of economic benefits is probable.

4.9 Financial Instruments

A Financial Assets

(a) Initial recognition and measurement

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Purchase and sale of financial assets are accounted for at trade date.

(b) Subsequent Measurement : Non-derivative financial instruments

(i) Financial assets carried at amortized cost (AC)

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(c) Investment in subsidiaries/associates/joint ventures

Investment in subsidiaries, if any, is carried at cost in the separate financial statements.

(d) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(e) Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.



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B Financial liabilities

(a) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings etc. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

(b) Subsequent Measurement : Non-derivative financial instruments

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(c) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

C Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.10 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.11 Leases

4.11.1 The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

4.11.2 At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

4.11.3 The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

4.11.4 The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

4.11.5 During the year the Company has not entered into any lease transaction.

4.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

4.13 Contract Liabilities

A contract liability is the obligation to transfer of goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.



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SWADESHI POLYTEX LIMITED

4.14 **Cash Flow Statement**

Cash flows are reported using indirect method as per Ind AS 7 , whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

4.15 **Earning Per Share**

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.16 **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating Officer has decided that the company has only one segment i.e. real estate.

4.17 **Fair Value Measurement**

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.



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SWADESHI POLYTEX LIMITED

(Rs. in '000)

5 Property, Plant and Equipment

The changes in the carrying value of property, plant and equipment for the year ended 31st March, 2021 are as follows:

Particulars	Building - Pushpak Bhawan	Plant & Machinery	Furniture & Fixtures	Computer	Total
Gross carrying value as at April 1, 2020	93	667	516	494	1,770
Additions	-	-	-	-	-
Deletions	-	-	-	-	-
Gross carrying value as at March 31, 2021	93	667	516	494	1,770
Accumulated depreciation as at April 1, 2020	17	492	398	316	1,223
Depreciation for the year	1	32	-	46	79
Accumulated depreciation on deletions	-	-	-	-	-
Accumulated depreciation as at March 31, 2021	18	524	398	362	1,302
Net Carrying value as at March 31, 2021	75	143	118	132	468

The changes in the carrying value of property, plant and equipment for the year ended 31st March, 2020 were as follows:

Particulars	Building - Pushpak Bhawan	Plant & Machinery	Furniture & Fixtures	Computer	Total
Gross carrying value as at April 1, 2019	93	617	2,434	314	3,458
Additions	-	50	-	180	230
Deletions	-	-	1,918	-	1,918
Gross carrying value as at March 31, 2020	93	667	516	494	1,770
Accumulated depreciation as at April 1, 2019	16	422	2,316	294	3,048
Depreciation for the year	1	70	-	22	93
Accumulated depreciation on deletions	-	-	1,918	-	1,918
Accumulated depreciation as at March 31, 2020	17	492	398	316	1,223
Net Carrying value as at March 31, 2020	76	175	118	178	547

6 Intangible Assets

(Rs. in '000)

The changes in the carrying value of Intangible Assets for the year ended 31st March, 2021 are as follows:

Particulars	Softwares	Total
Gross carrying value as at April 1, 2020	354	354
Additions	-	-
Deletions	-	-
Gross carrying value as at March 31, 2021	354	354
Accumulated depreciation as at April 1, 2020	21	21
Depreciation for the year	56	56
Accumulated depreciation on deletions	-	-
Accumulated depreciation as at March 31, 2021	77	77
Net Carrying value as at March 31, 2021	277	277

The changes in the carrying value of Intangible Assets for the year ended 31st March, 2020 were as follows:

Particulars	Softwares	Total
Gross carrying value as at April 1, 2019	-	-
Additions	354	354
Deletions	-	-
Gross carrying value as at March 31, 2020	354	354
Accumulated depreciation as at April 1, 2019	-	-
Depreciation for the year	21	21
Accumulated depreciation on deletions	-	-
Accumulated depreciation as at March 31, 2020	21	21
Net Carrying value as at March 31, 2020	333	333



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SWADESHI POLYTEX LIMITED

7 **Loans (Non-Current)** (Rs. in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, Considered Good)		
Loan due by an officer of the Company*	4,602	-
Total	4,602	-

*Refer Note 40.3.1 for details of Loan.

8 **Deferred Tax Assets (Net)** (Rs. in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets due to		
Carried forward losses	38,400	34,636
	38,400	34,636
Deferred Tax Liability due to		
Depreciation	73	64
	73	64
MAT Credit	8,952	9,062
Deferred Tax Assets (Net)	47,279	43,634

8.1 **The movement on the deferred tax account is as follows:** (Rs. in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
At the start of the year	43,634	43,197
Credit/(Charge) during the year	3,755	185
MAT Credit	(110)	252
Total Credit/(Charge) to Statement of Profit and Loss	3,645	437
At the end of the year	47,279	43,634

8.2 **Amounts recognised in Profit or Loss**

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax - Continued Operations		
Current year	-	20,747
Deferred Tax	(3,645)	(437)
Earlier Years	(42)	(2)
	(3,687)	20,308
Current tax - Discontinued Operations		
Current year	-	4,253
	-	4,253
Total	(3,687)	24,561

8.3 **Reconciliation of effective tax rate:** (Rs. in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Profit before tax	(20,054)	1,43,049
Applicable Tax Rate*	0.000%	17.472%
Income tax amount	-	24,994
Other Temporary difference	(3,645)	(437)
Other Permanent Differences	(42)	4
Effective Income tax expense	(3,687)	24,561

*Applicable tax rate for the current year will be NIL due to losses. (P.Y. U/S 115JB)



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SWADESHI POLYTEX LIMITED

(Rs. in '000)

9 Other Non-Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, Considered Good)		
Income tax receivable (net of provisions)*	23,822	28,633
Security deposit**	20	20
Statutory dues deposited under Protest	1,324	1,324
Total	25,166	29,977

*Includes Rs. 440/- (P.Y. Rs. 440/-) deposited in respect of A.Y 2012-13 under Protest.

**At amortized cost.

10 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Leasehold Plot Rights*	60,054	60,054
Total	60,054	60,054

* Refer Note 4.5

11 Cash & Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	34	33
Balances with schedule banks:		
In Current Accounts	1,407	525
In Fixed Deposit Accounts having maturity less than 3 months	8,000	29,344
Total	9,441	29,902

(Rs. in '000)

12 Loans (Current)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, Considered Good)		
Loan due by an officer of the Company*	547	5,121
Total	547	5,121

*Refer Note 40.3.1 for details of Loan.

13 Other financial assets-Current

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, Considered Good)		
Interest accrued	4	114
Total	4	114

(Rs. in '000)

14 Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, Considered Good)		
Others	4	567
Recoverable from Parties	-	394
Sales tax refund receivable	18	39
Prepaid Expenses	-	-
Total	22	1,000



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SWADESHI POLYTEX LIMITED

(Rs. in '000)

15

Equity Share Capital

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Amount	Number	Amount
Authorized				
Equity Share of Rs. 1/- (P.Y. Rs. 1/-) each	225000000	2,25,000	225000000	2,25,000
9.5% Redeemable cumulative Preference Shares of Rs. 100/- each	250000	25,000	250000	25,000
		2,50,000		2,50,000
Issued, Subscribed & Fully Paid up				
Equity Shares of Rs 1/- (P.Y. Rs. 1/-) each fully paid up	390000000	39,000	390000000	39,000
		39,000		39,000

15.1

Reconciliation of share capital:

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Amount	Number	Amount
Equity Shares at the beginning of the year	390000000	39,000	390000000	39,000
Add / (Less): Shares issued / (forfeited / buyback) during the year	-	-	-	-
Equity Shares at the end of the year	390000000	39,000	390000000	39,000

15.2

The rights, preferences and restrictions attached to each class of shares:

The company has issued only one class of Equity Shares having the par value of Rs 1/- per share. Each shareholder is entitled to one vote per share.

15.3

The details of shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Shares held	% of holding	No. of Shares held	% of holding
National Textile Corporation Ltd	13110000	33.62 %	13110000	33.62 %
MKJ Enterprises Ltd	4875250	12.50 %	4875250	12.50 %
Selecto Pac Private Ltd.	3432500	8.80 %	3432500	8.80 %
Paharpur Cooling Towers Ltd.	5281530	13.54 %	5281530	13.54 %
Doypack Systems Pvt Ltd.	2775000	7.12 %	2775000	7.12 %

16

Other Equity

(Rs. in '000)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
General Reserve	1,67,070	1,67,070
Opening Balance	-	-
(+) Additions during the year	-	-
(-) Utilized / transferred during the year	-	-
	1,67,070	1,67,070
Capital Redemption Reserve	10,975	10,975
Opening Balance	-	-
(+) Additions during the year	-	-
(-) Utilized / transferred during the year	-	-
	10,975	10,975
Retained Earnings	(5,40,452)	(6,58,940)
As per last Balance Sheet	(16,367)	1,18,488
Add: Profit / (Loss) for the year	(5,56,819)	(5,40,452)
	(3,78,774)	(3,62,407)



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SWADESHI POLYTEX LIMITED

17 Other financial liabilities-Non current

(Rs. in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Other Payable*	21,642	21,642
Total	21,642	21,642

*Refer Note No. 35

18 Borrowings-Current

(Rs. in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Loan from Related Parties	17,915	17,915
Total	17,915	17,915

Company has taken interest free unsecured loan from National Textile Corporation Ltd which is repayable on demand.

19 Trade Payables

(Rs. in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Outstanding dues of micro and small enterprises	559	-
Total Outstanding dues of other than micro and small enterprises	10,202	7,652
Total	10,761	7,652

Refer Note 33

20 Other Current liabilities

(Rs. in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Contract Liabilities (Amount received from customers)*	4,36,832	4,45,851
Retention Money Payable	10	10
Provision for Sales Tax (Net) **	225	-
Statutory dues Payable	249	1,019
Total	4,37,316	4,46,880

*Refer Note 4.13

**Pertains to earlier years and pending for adjustment with respective refunds due from Authorities. Interest on refund of Sales Tax, if any, will be accounted for as and when received.



P. M. R. & Associates

SWADESHI POLYTEX LIMITED

		(Rs. in '000)	
21	Revenue from Operations	As at March 31, 2021	As at March 31, 2020
	Particulars		
	Revenue from sale of leasehold plot rights	-	1,59,867
		-	1,59,867
		(Rs. in '000)	
22	Other Income	As at March 31, 2021	As at March 31, 2020
	Particulars		
	Interest Income	1,225	2,250
	Other Misc Income	339	25
		1,564	2,275
		(Rs. in '000)	
23	Changes in inventories	As at March 31, 2021	As at March 31, 2020
	Particulars		
	Opening Stock		
	Leasehold Plot Rights	60,054	65,341
		60,054	65,341
	Closing Stock		
	Leasehold Plot Rights	60,054	60,054
		60,054	60,054
	(Increase) / Decrease in inventories	-	5,287
		(Rs. in '000)	
24	Finance Costs	As at March 31, 2021	As at March 31, 2020
	Particulars		
	Interest on borrowings (Net)	-	7,004
		-	7,004
		(Rs. in '000)	
25	Depreciation and Amortisation Expenses	As at March 31, 2021	As at March 31, 2020
	Particulars		
	Depreciation of property, plant and equipment	79	93
	Amortisation of intangible assets	56	21
		135	114
		(Rs. in '000)	
26	Other Expenses	Year Ended March 31, 2021	Year Ended March 31, 2020
	Particulars		
	Legal & Professional Expenses	13,428	14,964
	Conveyance & Travelling Expense	1,735	5,112
	CSR Expenditure	1,600	800
	Fees to Stock Exchange	354	413
	Power & Fuel	381	444
	Repair Others	113	105
	Business Promotion	746	2,071
	Rates & Taxes	590	1,186
	Directors' Sitting Fees	725	880
	Payment To Auditors (Refer Note 26.1)	484	437
	Communication Expenses	111	395
	Advertisement	94	43
	Printing & Stationary	55	607
	Other Expenses	950	3,149
		21,366	30,606



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SWADESHI POLYTEX LIMITED

26.1 Payment to Auditors

(Rs. in '000)

Particulars	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
Audit Fee	295	295
Tax Audit Fee	-	118
Other Matters	189	-
Reimbursement of Expenses	-	24
	484	437

27 Profit / (Loss) from discontinued operations

(Rs. in '000)

Particulars	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
Income from discontinued Operations		
Interest on Excise and Custom Refund	-	21,248
Liabilities no longer required written back	-	3,164
Refund from Sales Tax	202	-
	202	24,412
Expenses related to discontinued Operations		
Professional Fee Paid	319	71
	319	71
	(117)	24,341

27.1 Cash flows from discontinued operations

(Rs. in '000)

Particulars	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
Net Cash inflow / (outflow) from Operating activities	(117)	21,177
Net Cash inflow / (outflow) from Investing activities	-	-
Net Cash inflow / (outflow) from Financing activities	-	-
Net Cash inflow from discontinued operations	(117)	21,177

28 Earning per Share - Continued Business

Particulars	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
Profit / (Loss) attributable to Equity Shareholders	(16,250)	98,400
Weighted average number of Equity Shares of Rs. 1/- Each (No. of Shares)	3,90,00,000	3,90,00,000
Earning per Shares - Basic & Diluted (In Rs.)	(0.42)	2.52

28.1 Earning per Share - Discontinued Business

Particulars	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
Profit / (Loss) attributable to Equity Shareholders	(117)	20,088
Weighted average number of Equity Shares of Rs. 1/- Each (No. of Shares)	3,90,00,000	3,90,00,000
Earning per Shares - Basic & Diluted (In Rs.)	(0.00)	0.52



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SWADESHI POLYTEX LIMITED

29 Discontinuing Operations

In view of the Economic/Financial non-viability and on-going labor problems etc., the Company had discontinued its operations of manufacturing of Polyester Fibers and Chips in 1998. In previous years, company had entered into a sale agreement for disposal of its entire Plant & Machinery and Building related to the discontinued operations and sold the entire part thereof.

29.1 The carrying amount of total assets and liabilities to be disposed off at the year end are as follows. Comparative information for the discontinuing operations is included in accordance with Ind AS-105, Discontinuing Operations:

Particulars	(Rs. in '000)	
	As at March 31, 2021	As at March 31, 2020
Total Assets		
Non-current asset		
Statutory dues deposited under Protest	1,324	1,324
Total Liabilities		
Other financial liabilities-Non current		
Other financial liabilities	21,642	21,642
Net Assets / (Liabilities)	(20,318)	(20,318)

30 Impact of COVID-19 (Global pandemic)

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on 24-03-2020 which had impacted the business activities of the Company. Subsequently again there was outbreak of second wave of COVID-19 across the country which resulted in continuous lockdowns in most of the States of the country resulting in severe disruption to regular business operations. The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, intangible assets, Trade Receivables, and Inventory as at the balance sheet date and has concluded that there is no material adjustments required in the financial statements. Management believes that it has considered all the possible impact of known events arising from COVID -19 pandemic in the preparation of the financial Statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

31 Permission to transfer the leasehold rights in land of the Company was effective upto 31st December, 2019 and the Company had made a representation before the concerned Authorities at UPSIDA for extension of the same, which is pending for disposal. Besides this, the Company has also filed a writ petition before the Hon'ble Allahabad High Court, who has directed the Chairman UPSIDA to consider and decide complete representation most expeditiously. The Company is following the matter with the concerned Authorities and is hopeful of a positive outcome at the earliest.

32 Contingent Liabilities & Commitments (To the extent not provided for)

Claims against the Company not acknowledged as debts including excise, Income Tax, Labour Disputes, Legal and other Disputes:

Particulars	(Rs. in '000)	
	Year Ended 31-03-2021	Year Ended 31-03-2020
(a) PF Cases pending at various forums	5,895	5,895
(b) Labor Matters relating settlement pending at various forums	4,742	4,742
(c) Custom Matters	1,711	1,711
(d) Excise Matters being refund claim of Interest	32,360	32,360
(e) Income Tax Matters	2,217	2,217
(f) FEMA Matters	12,600	-
(g) Other Matters	9,246	9,246

Note: Interest and penalty, if any, is not computable at this point of time hence not considered in the above statement of contingent liability.

33 Based on information available with the Company the amounts due to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is as under:

Particulars	(Rs. in '000)	
	Year Ended 31-03-2021	Year Ended 31-03-2020
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest Paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-



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SWADESHI POLYTEX LIMITED

40.2.2 Transactions with Associates:

(Rs. in '000)

Nature of Transactions	Year Ended 31-03-2021	Year Ended 31-03-2020
Transactions with Paharpur Cooling Towers Ltd.		
Reimbursement for various expenses	5,312	5,312
Interest Paid	-	7,004
Secured Loan repaid	-	1,56,011

40.3 Following were the balance outstanding at March 31, 2021 with related parties:

40.3.1 Balance outstanding from Key Management Personnel:

(Rs. in '000)

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
In respect of Mr. Bhuwan Chaturvedi		
Closing balance of loan given		
Non-Current	4,602	-
Current	547	5,121
Total	5,149	5,121

According to revised terms vide resolution of NRC dated 09-02-2021 the loan is recoverable in Quarterly installments commencing from March - 2022 carrying Interest @ 9% P.A.

40.3.2 Balance outstanding with Associates:

(Rs. in '000)

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
In respect of National Textile Corporation Ltd.		
Unsecured Loan taken and outstanding	17,915	17,915

41 Disclosure under Ind AS 108 – 'Operating Segments' is not given as, in the opinion of the Chief Operating Decision Maker, the entire business activity falls under one segment, viz ,primarily engaged as real estates. The Company conducts its business only in one Geographical Segment, viz. , India.

42 Going Concern

As at 31st March 2021, the Company has accumulated losses of Rs 5568.19 lakh (PY Rs 5404.52 lakh) Current liabilities amounting to Rs 4659.92 lakh (PY Rs 4724.47 lakh) and equity share capital of Rs 390 lakh (PY Rs 390 lakh) Permission to sell its leasehold rights in land from concerned Authorities was effective upto 31st December 2019. The Company has prepared a robust long-term business plan driven by upcoming new business projects including but not limited to development of facility area, the economic benefit of which will start accruing to the Company in the ensuing years. Management is confident of achieving the business plan targets. The Company has prepared cash flow statement for the next 12 months and is hopeful of obtaining permission from the Authorities for the sales of its leasehold rights in Plots. Accordingly, these financial statements have been prepared using the going concern assumption.

43 Previous year figures have been regrouped, rearranged or reclassified where ever necessary.

44 Information regarding Goods Traded

44.1 Description : Leasehold Plot Rights

(Rs. in '000)

Particulars	Year Ended 31-03-2021		Year Ended 31-03-2020	
	Qty (in Sqm)	Amount	Qty (in Sqm)	Amount
Opening Balance*	1,44,988	60,054	1,60,170	65,341
Purchase	-	-	-	-
Sales	-	-	15,182	1,59,867
Closing Balance*	1,44,988	60,054	1,44,988	60,054

* Excluding utility area of 13,577.53 Sqm.

45 Expected Credit Loss

For recognition of impairment loss on trade receivable and other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.



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46 Risk Management Framework

The Company's business is subject to various risk and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, market risk, interest rate risk, and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

46.1 Financial Risk

The Company's principal financial liabilities comprise of trade payables, borrowings and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash, fixed deposits, interest accrued on fixed deposits and loan advanced that derive directly from its operations.

The Company is exposed to primarily credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

46.2 Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The below table summarized the maturity profiles of the Companies financial liabilities based on the contractual undiscounted payments.

46.3 Maturity profile of financial Liabilities

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

Particular	(Rs. in '000)			
	Less than 1 Year	1 to 5 Years	More than 5 years	Total
March 31, 2021				
Borrowings	17,915	-	-	17,915
Trade payables	10,761	-	-	10,761
Other financial liabilities	-	21,642	-	21,642
	28,676	21,642	-	50,318
March 31, 2020				
Borrowings	17,915	-	-	17,915
Trade payables	7,652	-	-	7,652
Other financial liabilities	-	21,642	-	21,642
	25,567	21,642	-	47,209

46.4 Market Risk

The Management does not envisage any major risks associated with pricing of its goods, since the same has already been fixed.

46.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuates because of changes in prevailing market interest rates. The Company has no exposure to the risk due to the fact that it does not have any interest bearing borrowing at the year end. The Company constantly monitors the credit markets and revisits its financing strategies to achieve an optimal maturity profile and financing cost.

Particulars	(Rs. in '000)			
	As At March 31, 2021		As At March 31, 2020	
	Fixed Rate Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings
Inter Corporate Deposits	-	-	-	-
Interest Rate Sensitivities for Floating Rate Borrowings:				
Since there are no borrowings availed by the company on floating rate, therefore there is no requirement for calculating the interest rate sensitivity.				



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46.6 Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company has no exposure to foreign exchange risk.

46.7 Equity Price Risk

The Company doesn't have any investment in equity. Therefore, the Company is not exposed to equity price risk arising from Equity Investments.

46.8 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to any credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

46.9 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, if any, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

(Rs. in '000)

46.9.1	Particular	(Rs. in '000)	
		As at March 31, 2021	As at March 31, 2020
	Short term Borrowings	17,915	17,915
	Net debts	17,915	17,915
	Capital components		
	Share capital	39,000	39,000
	Reserves and surplus	(3,78,774)	(3,62,407)
	Total capital	(3,39,774)	(3,23,407)
	Capital and net debt	(3,21,859)	(3,05,492)
	Gearing ratio (%)	-6%	-6%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the period when they availed facilities from bank and others.

47 Fair value measurement

47.1 Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note below

47.2 Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.



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The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.

47.3 Categories of financial instruments and fair value thereof: (Rs. in '000)

Particulars	March 31, 2021		March 31, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
A. Financial Assets -Measured at Amortized Cost				
Cash and cash equivalents	9,441	9,441	29,902	29,902
Loans	5,149	5,149	5,121	5,121
Other Financial assets	4	4	114	114
Total	14,594	14,594	35,137	35,137
B. Financial Liabilities- Measured at Amortized Cost				
Trade Payables	10,761	10,761	7,652	7,652
Borrowings	17,915	17,915	17,915	17,915
Other financial liabilities	21,642	21,642	21,642	21,642
Total	50,318	50,318	47,209	47,209

The management assessed that cash and cash equivalents and bank balances, other financial assets, trade payables, borrowings and other current liabilities is considered to be equal to the carrying amounts of these items largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortized cost is not significant in each of the year presented.

47.4 The disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March, 2021 (Rs. in '000)

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
A. Financial Assets -Measured at Amortized Cost				
Cash and cash equivalents	9,441	-	-	9,441
Loans	5,149	-	-	5,149
Other Financial assets	4	-	-	4
Total	14,594	-	-	14,594
B. Financial Liabilities- Measured at Amortized Cost				
Trade Payables	10,761	-	-	10,761
Borrowings	17,915	-	-	17,915
Other financial liabilities	21,642	-	-	21,642
Total	50,318	-	-	50,318

47.5 The disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March, 2020 (Rs. in '000)

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
A. Financial Assets -Measured at Amortized Cost				
Cash and cash equivalents	29,902	-	-	29,902
Loans	5,121	-	-	5,121
Other Financial assets	114	-	-	114
Total	35,137	-	-	35,137
B. Financial Liabilities- Measured at Amortized Cost				
Trade Payables	7,652	-	-	7,652
Borrowings	17,915	-	-	17,915
Other financial liabilities	21,642	-	-	21,642
Total	47,209	-	-	47,209

48 Recent Pronouncements

The Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, has amended Division II of Schedule III of the Companies Act, 2013 w.e.f. April 1, 2021. The Company will assess and implement the amendments to Division II in FY 2021-22, as applicable.



MSA